



# Department of Justice

---

FOR IMMEDIATE RELEASE  
FRIDAY, OCTOBER 14, 2011  
[WWW.JUSTICE.GOV](http://WWW.JUSTICE.GOV)

TAX  
(202) 514-2007  
TTY (866) 544-5309

## **MONTGOMERY, ALABAMA, WOMAN PLEADS GUILTY TO TWO TAX FRAUD AND IDENTITY THEFT CONSPIRACIES**

### ***Multi-Million Dollar Fraud Schemes Used Stolen Information of Medicaid Recipients***

WASHINGTON – Veronica Dale, a resident of Montgomery, Ala., pleaded guilty today to two tax fraud and identity theft conspiracies, the Justice Department and the Internal Revenue Service (IRS) announced. In addition to pleading guilty to two counts of conspiracy to defraud the government with respect to claims, Dale pleaded guilty to two counts of filing false, fictitious or fraudulent claims with the United States; two counts of theft of government money, property or records; one count of wire fraud; and one count of aggravated identity theft.

Along with four other defendants, Dale was indicted by a federal grand jury sitting in Montgomery on Dec. 14, 2010, on a variety of charges stemming from a large-scale tax fraud and identity theft conspiracy based in that city. According to the indictment, plea agreement and other court documents, the conspirators were part of a scheme that spanned from 2009 through 2010 and involved fraudulently obtaining tax refunds by filing false tax returns using stolen identities.

In her plea agreement, Dale admitted that she filed more than 500 fraudulent returns that sought at least \$2.5 million in refunds. Dale also admitted that the returns were filed using the names of Medicaid beneficiaries, whose personal information she had obtained earlier when employed by a company that serviced Medicaid programs. According to court documents, Dale directed the refunds claimed by the fraudulent returns to an array of different bank accounts she and various co-conspirators controlled. All four co-defendants charged in the indictment - Alchico Grant, Laquanta Grant, Leroy Howard and Isaac Dailey - have already pleaded guilty, as have two other co-conspirators, Wendy Delbridge and Betty Washington, who pleaded guilty to criminal informations.

Veronica Dale and others were also charged in a separate superseding indictment by a federal grand jury in the Middle District of Alabama unsealed on Sept. 7, 2011, on a variety of counts stemming from another identity theft and tax fraud scheme. According to the indictment, plea agreement and other court documents, in 2011, Dale and others used stolen identities to file false tax returns claiming fraudulent refunds. In her plea agreement, Dale admitted that this scheme involved a fraud loss of between \$400,000 and \$1 million and that she provided the lists of Medicaid recipients she had obtained to a co-conspirator to use in the conspiracy. All of the co-defendants in this indictment – Alchico Grant, Melinda Clayton and Stephanie Adams, have also pleaded guilty, included most recently Adams, who pleaded guilty on Oct. 13, 2011.

Stephanie Adams pleaded guilty to one count of conspiring to defraud the United States with respect to claims. In her plea agreement, Adams admitted that between January and April 2011 she conspired with others to defraud the United States by filing false tax returns using stolen identities. Adams further admitted that she provided a co-conspirator with two bank accounts to receive the false refunds; almost \$140,000 in false refunds were directed by Adams's co-conspirators to the two bank accounts. When refunds were deposited, Adams retained a portion of the funds and distributed the rest of the money to her co-conspirators.

Sentencing has not yet been scheduled for either Dale or Adams. Dale faces a minimum of two years in prison, a maximum of 62 years in prison, three years of supervised release, restitution and a maximum fine of \$1.75 million, or twice the loss caused by the offense. Adams faces a maximum of 10 years in prison, three years of supervised release, restitution and a maximum fine of \$250,000, or twice the loss caused by the offense.

The cases were investigated by special agents of the IRS - Criminal Investigation. Trial attorneys Jason H. Poole and Michael Boteler of the U.S. Department of Justice, Tax Division, and Todd Brown, Assistant U.S. Attorney for the Middle District of Alabama are prosecuting the cases.

Additional information about the Justice Department's Tax Division and its enforcement efforts may be found at [www.justice.gov/tax](http://www.justice.gov/tax).

###

11-1366

DO NOT REPLY TO THIS MESSAGE. IF YOU HAVE QUESTIONS, PLEASE USE THE CONTACTS IN THE MESSAGE OR CALL THE OFFICE OF PUBLIC AFFAIRS AT 202-514-2007.